

STATE OF ARIZONA

Douglas A. Ducey Governor

Office of the Governor

EXECUTIVE OFFICE

June 5, 2020

The Honorable Katie Hobbs Secretary of State 1700 W. Washington, 7th Floor Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 2nd Regular Session, which I signed on June 5th, 2020:

- S.B. 1012 executive session; school safety plans (Borrelli)
- S.B. 1021 department of revenue; electronic signatures (Ugenti-Rita)
- S.B. 1040 insurers; notices; methods of delivery (Livingston)
- S.B. 1041 travel insurance (Livingston)
- S.B. 1042 executive sessions; security plans (Borrelli)
- S.B. 1061 schools; parental rights; posting (Allen, S.)
- S.B. 1062 insurance transactions; discrimination; exceptions(Livingston)
- S.B. 1083 agriculture department; livestock loss board (Allen, S.)
- S.B. 1090 insurance adjusters; claims certificate (Livingston)
- S.B. 1091 insurance producer licensing; surrender; application (Livingston)
- S.B. 1096 property management records; residential rentals (Pace)
- S.B. 1099 tax deed land sales; proceeds (Mesnard)
- S.B. 1121 model city tax code; procedures (Leach)
- S.B. 1131 certified public accountants (Gray)
- S.B. 1210 assisted living; caregivers; training (Pace)
- S.B. 1236 adult adoption; stepchildren (Gowan)
- S.B. 1274 professional regulatory boards; composition (Ugenti-Rita)
- S.B. 1292 financial literacy; state treasurer; fund (Allen,S.)
- S.B. 1303 annexation of territory; requirements (Pratt)
- S.B. 1305 personal delivery devices (Livingston)
- S.B. 1354 public retirement systems; prefunding plan (Livingston)
- S.B. 1397 insurance; preexisting condition exclusions; prohibition (Mesnard)
- S.B. 1441 protection orders; modification; residence possession (Farnsworth, E.)
- S.B. 1445 suicide prevention training; school employees (Bowie)
- S.B. 1446 student identification cards; suicide prevention (Bowie)
- S.B. 1460 electric cooperatives; broadband service (Borrelli)
- S.B. 1492 Arizona teachers academy; program pathways (Boyer)

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S.B. 1504 fingerprinting; vital records; child care (Brophy-McGee)

S.B. 1510 public contracts; payment methods (Livingston)

S.B. 1528 family college savings program; treasurer (Leach)

S.B. 1555 support order; dishonored payment; lien (Farnsworth, E.)

S.B. 1557 annuity transactions; requirements (Livingston)

Sincerely,

Douglas A. Ducey

Governor

State of Arizona

cc: Senate Secretary

Chief Clerk of the House of Representatives

Arizona News Service

Senate Engrossed

FILED KATIE HOBBS SECRETARY OF STATE

State of Arizona Senate Fifty-fourth Legislature Second Regular Session 2020

CHAPTER 71

SENATE BILL 1121

AN ACT

AMENDING SECTION 42-6052, ARIZONA REVISED STATUTES; REPEALING SECTION 42-6053, ARIZONA REVISED STATUTES; RELATING TO THE MODEL CITY TAX CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 42-6052, Arizona Revised Statutes, is amended to read:

42-6052. Municipal tax code commission; members; meetings; model city tax code; official copy; review and comment on proposed amendments; annual report

- A. The municipal tax code commission is established consisting of the director of the department of revenue, or the director's representative, as an ex officio member without the power to vote and nine members who are mayors or members of the governing bodies of cities or towns that have adopted the model city tax code and who are appointed as follows:
 - 1. Five members appointed by the governor.
 - 2. Two members appointed by the president of the senate.
- 3. Two members appointed by the speaker of the house of representatives.
- B. No NOT more than two members of the commission may be from the same city or town. The commission shall annually elect a chairman from among its members. Appointive members shall serve terms of three years. Members of the commission are not eligible for compensation for their services.
- C. The commission shall meet on the second Friday of every other month unless the chairman determines that a meeting is unnecessary due to a lack of issues for the commission to consider. The commission may hold additional meetings on the call of the chairman, IN RESPONSE TO ANY PROPOSED AMENDMENT PURSUANT TO SUBSECTION E OF THIS SECTION or at the request of four or more of its members, but the commission must give at least two weeks' notice of the meeting.
 - D. The department of revenue shall:
 - 1. MAINTAIN THE OFFICIAL COPY OF THE MODEL CITY TAX CODE.
 - 2. POST THE OFFICIAL COPY ON THE DEPARTMENT'S OFFICIAL WEBSITE.
- 3. Maintain a mailing list for meeting notices, send required notices and provide staff support and meeting accommodations for the commission. All notices under this $\frac{\text{subsection}}{\text{subsection}}$ PARAGRAPH may be delivered by either physical mail or $\frac{\text{e-mail}}{\text{mail}}$ EMAIL AND SHALL BE DELIVERED WITHIN THE TIME FRAMES PRESCRIBED IN THIS SECTION.
- E. AT LEAST SIXTY DAYS BEFORE THE COMMISSION ADOPTS ANY AMENDMENT TO THE MODEL CITY TAX CODE, A CITY OR TOWN, A TAXPAYER OR THE DEPARTMENT OF REVENUE SHALL SUBMIT THE PROPOSED AMENDMENT TO THE COMMISSION TO REVIEW AND CONSIDER FOR ADOPTION. THE DEPARTMENT SHALL POST THE PROPOSED AMENDMENT, MEETING NOTICE AND MEETING AGENDA ON THE DEPARTMENT'S OFFICIAL WEBSITE AT LEAST THIRTY DAYS BEFORE THE INFORMATIONAL PUBLIC HEARING REQUIRED UNDER SUBSECTION F OF THIS SECTION AND AT LEAST SIXTY DAYS BEFORE

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THE PUBLIC HEARING FOR CONSIDERATION TO ADOPT THE PROPOSED AMENDMENT REQUIRED UNDER SUBSECTION G OF THIS SECTION.

- F. AT LEAST THIRTY DAYS AFTER RECEIVING A PROPOSED AMENDMENT, AND AT THE REQUEST OF A CITY OR TOWN, A TAXPAYER OR THE DEPARTMENT OF REVENUE, THE COMMISSION SHALL HOLD AN INFORMATIONAL PUBLIC HEARING TO REVIEW AND RECEIVE COMMENTS ON THE PROPOSED AMENDMENT. THE DEPARTMENT SHALL PROVIDE A LEGAL ANALYSIS OF THE PROPOSED AMENDMENT TO THE COMMISSION AT THE HEARING. THE COMMISSION SHALL CONSIDER ANY INFORMATION AND TESTIMONY PRESENTED AT THE HEARING, MAY REQUIRE CHANGES TO THE LANGUAGE PRESENTED AT THE HEARING AND MAY REQUIRE CHANGES TO THE LANGUAGE PRESENTED BY THE CITY, TOWN, TAXPAYER OR DEPARTMENT. THE DEPARTMENT SHALL POST THE PROPOSED AMENDMENT WITH ANY REQUIRED CHANGES ON THE DEPARTMENT'S OFFICIAL WEBSITE NOT LATER THAN FIVE DAYS AFTER THE DATE OF THE INFORMATIONAL PUBLIC HEARING.
- G. AT LEAST SIXTY DAYS AFTER THE COMMISSION RECEIVES A PROPOSED AMENDMENT PURSUANT TO SUBSECTION E OF THIS SECTION, THE COMMISSION SHALL HOLD A PUBLIC HEARING TO CONSIDER ANY INFORMATION AND TESTIMONY PRESENTED AT THE INFORMATIONAL PUBLIC HEARING, IF ONE WAS REQUESTED UNDER SUBSECTION F, AND TO CONSIDER ADOPTING THE PROPOSED AMENDMENT. IF THE COMMISSION ADOPTS THE PROPOSED AMENDMENT, THE DEPARTMENT OF REVENUE SHALL UPDATE THE OFFICIAL COPY OF THE MODEL CITY TAX CODE TO REFLECT THE AMENDMENT ADOPTED BY THE COMMISSION NOT LATER THAN TEN DAYS AFTER THE COMMISSION ADOPTS THE AMENDMENT. ANY CHANGES THAT ARE NOT REFLECTED IN THE OFFICIAL COPY POSTED ON THE DEPARTMENT'S OFFICIAL WEBSITE ARE VOID AND HAVE NO EFFECT.
- H. ALL CITIES AND TOWNS SHALL ADOPT THE CHANGES TO THE MODEL CITY TAX CODE ADOPTED BY THE COMMISSION. THIS REQUIREMENT DOES NOT PROHIBIT THE COMMISSION FROM RECOMMENDING A MODEL OR LOCAL OPTION OR CHANGES TO A MODEL OR LOCAL OPTION CONTAINED IN THE MODEL CITY TAX CODE TO BE ADOPTED ONLY BY THOSE CITIES AND TOWNS THAT CHOOSE THE OPTION OR FROM APPROVING A CHANGE SUBMITTED BY A CITY OR TOWN THAT DOES NOT APPLY TO ANY OTHER CITY OR TOWN. THE CITY OR TOWN MAY NOT ADOPT AN AMENDMENT TO ANY PROVISION OF THE MODEL CITY TAX CODE UNLESS THE COMMISSION HAS ADOPTED THE AMENDMENT.
- I. CHANGES IN RATES OF TAX ARE NOT SUBJECT TO REVIEW, BUT WITHIN TEN DAYS AFTER PASSAGE OF AN ORDINANCE IMPOSING A RATE CHANGE:
- 1. THE CITY OR TOWN IMPOSING A NEW OR DIFFERENT TAX RATE SHALL NOTIFY THE COMMISSION AND THE DEPARTMENT OF REVENUE. FAILURE OF A CITY OR TOWN TO NOTIFY THE COMMISSION AND THE DEPARTMENT RENDERS THE NEW OR DIFFERENT TAX RATE VOID AND OF NO EFFECT. FOR THE PURPOSES OF THIS PARAGRAPH, "NEW OR DIFFERENT TAX RATE" MEANS THE ADOPTION OR REPEAL OF A MODEL OR LOCAL OPTION OR ANY CHANGE THAT INCREASES THE AMOUNT OF TAX A TAXPAYER MUST PAY TO A CITY OR TOWN.

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- 2. THE OFFICIAL COPY OF THE MODEL CITY TAX CODE MUST REFLECT THE CHANGE. ANY CHANGE NOT REFLECTED IN THE OFFICIAL COPY OF THE MODEL CITY TAX CODE IS VOID AND HAS NO EFFECT.
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Sec. 2. Repeal

Section 42-6053, Arizona Revised Statutes, is repealed.

APPROVED BY THE GOVERNOR JUNE 5, 2020.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 5, 2020.

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Passed the House May 19, 20 20	Passed the Senate Felmy 19, 2026,
by the following vote: Ayes,	by the following vote:Ayes,
Nays, Not Voting	Nays,Not Voting
IL R. Enga	Kaun tann
Speaker of the House	President of the Senate
Chief Clerk of the House	Secretary of the Senate
OFFICE OF	TMENT OF ARIZONA GOVERNOR I by the Governor this
day of	Muy, 20 <u>20</u> ,
at <u> 2:20</u>	_ o'clock P M.
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th	Sepretary to the Governor
Approved this day of	
June , 20 6,	
at o'clock M.	
Tong I heren	
Governor of Arizona	EXECUTIVE DEPARTMENT OF ARIZONA
	OFFICE OF SECRETARY OF STATE
	This Bill was received by the Secretary of State
	this day of
S.B. 1121	
	at 2:32 o'clock P. M.

Secretary of State